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**THESIS**

**THE PRC DECISION-MAKING PROCESS**

by

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**THE PRC DECISION-MAKING PROCESS**

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Submitted in partial fulfillment of the  
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## ABSTRACT

This thesis examines the process by which decisions are made in the People's Republic of China during times of crisis. It explores who has the authority to make decisions in China today and who will have this authority as new leaders take control of the Politburo in 2002. The thesis also examines the role that the People's Liberation Army plays in national security and foreign policy decision-making during times of crisis.

The April 2001 EP-3 incident is examined to assess high-level decision-making in the Communist Party, the level of military involvement, and the role of the media. This thesis concludes that decisions are made on a consensual basis by a nuclear circle of leaders consisting mainly of Politburo Standing Committee members and a few close advisors to the President. The thesis also concludes that the military plays a smaller role than is often presumed in the decision-making process during times of crisis.

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## I. INTRODUCTION

The purpose of this thesis is to assess the PRC decision-making process during the April 2001 EP-3 incident on Hainan Island in order to provide a basis for better predicting Chinese reactions to crises in the future. Currently, it is unclear how the PRC makes important national security decisions, particularly in times of crisis. When a U.S. Navy EP-3 collided with a Chinese interceptor and conducted an emergency landing on Hainan on April 1<sup>st</sup>, U.S. officials were shocked to learn that the crew was going to be detained for an unknown period of time. Eleven days later, upon release of the crew and after many high-level diplomatic discussions, it was still not clear who actually had the decision-making power in China and how much the PLA had influenced the decision to hold the EP-3 crew.

Following this introduction, chapter II of this thesis provides a summary of PRC leadership trends dating back to Mao Zedong and concludes with an assessment of Jiang Zemin's personal political style. It is clear today that, unlike Mao's day, no one individual or even a single body within the PRC has sole authority to make decisions on behalf of the Chinese Communist Party (CPC). Chapter II highlights the role of personality in policy decisions. Jiang Zemin's leadership style in China differs from that of Mao Zedong or Deng Xiaoping. When Mao was chairman, people resolutely supported whatever instructions he gave. There could be no questions or consultations about Mao's decisions. When Deng Xiaoping ruled China, he could not

completely fill Mao's shoes. But he did hold a great amount of power in China. He personally took on the role of reforming Chinese economic and political systems which eventually created tensions that led to the Tiananmen Square demonstrations in 1989. Finally it was realized that corruption within the government needed to come to an end and new leadership was ready to take over. From 1989 on, Jiang Zemin has led the nation as general secretary of the Chinese Communist Party (CPC). Jiang lacks the absolute authority that Mao and Deng held, although for China, this has proved to be an advantage. Jiang has transitioned policy-making from a personal to a collective decision-making process. Jiang has not put an ideological stamp on politics like his predecessors. Instead, he has taken a middle course that encompasses a wide spectrum of opinions from conservatives to liberals. It is Jiang's personal political style that contributed to the final outcome of the EP-3 incident.

Next, Chapter III explains the structure of the PRC government, including the differences between the Communist Party structure and the state structure. Chapter III also examines the role of the Chinese staff system and the foreign affairs structure. Additionally it covers the role of the military assessing exactly how much influence the military has over foreign policy in China. Finally, Chapter III provides an in-depth summary of who exactly are the key players and main decision-makers in China.

The CPC Political Bureau (Politburo) is the seat of central leadership and is responsible for day-to-day political affairs when the Central Committee is not in

session. The Politburo's Standing Committee (PBSC) is presently made up of seven people who meet once a week, and it is these seven individuals who are the true decision-making core in China. These are not the only people that influence the decision-making process however. Depending on the decision at hand, a select few of high-ranking military officers and officials in other policy sectors may also be part of a working group to make decisions in times of crisis.

The military itself normally plays a very small role when it comes to making decisions of great significance. The interests of the military and of the party have parted ways over the years, and the main concern for military leaders is to make sure they receive proper funding. So important is this issue that they may be willing to create a crisis in order to receive needed attention. Meanwhile, the party is focused more on national security and economic growth, and thus, has a greater desire to negotiate in crisis situations.

The foreign affairs structure is extremely important in China, more so than is usually mentioned in most books about China. The frequently encountered impression is that the military runs China, or at least holds great influence. In actuality, the Ministry of Foreign Affairs (MFA) holds greater influence since members conduct diplomatic affairs on behalf of the state. The MFA played a significant role during the EP-3 incident, not as a direct decision-making body, but as a communication pathway between U.S. diplomats and PRC leaders. Part of the effort to understand the decision-making process in China includes trying to

understand communications and who speaks to whom behind the scenes. In this regard, the MFA plays a significant role, and it did so during the EP-3 incident, since MFA officials were the only points of contact for U.S. diplomats in China.

Chapter IV offers an in-depth examination of the EP-3 incident as a case study to answer the questions raised in the introduction. By examining the negotiation process during the EP-3 incident, we can begin to "peel the onion" of decision-making authority in China. Additionally, the EP-3 incident demonstrates the process by which decisions are made and how information is passed up and down the echelons of party, military, and government. By exploring a crisis like the EP-3 incident, it becomes apparent that the PLA actually plays a small, but not insignificant role in executive decision-making. PLA officers were the first to respond to the collision on 01 April 2001, and so their involvement was essentially inevitable. The PLA would have probably preferred to handle the situation according to its own liking, but civilian officials took over and conducted the negotiations. It is likely, however, that civilian officials also negotiated with PLA officers in order to maintain a balance and keep the PLA from making the situation worse.

Chapter IV attempts to grasp the importance of the media in China and how the Communist party controls the media during times of crisis in order to create or avoid certain responses from the Chinese public. During the EP-3 incident, regime media did not tell the entire story, and even Internet chat rooms were monitored and sometimes shut

down. Public opinion affects decision-making in China as it does in the United States. The difference however, is that public opinion is really party opinion, because of the limited amount of information provided to the average citizen. In the case of the EP-3 incident, world media worked in favor of the American crew, because whatever decision PRC officials made would unfold under the eye of world media. The entire world watched this event unfold, and such pressure surely affected the Chinese leaders' decision-making process.

After examining the past record of decision-making, the current structure and style of leadership, and the events of a recent crisis, Chapter V explores the up and coming leadership that will take the reigns of authority in 2002. Among those expected to retire in September 2002 are Jiang Zemin and Li Peng, as well as top ranking military leaders such as Zhang Wannian and Chi Haotian. Also, anywhere between 75 and 120 of the 188 members of the Central Committee could retire in 2002. Hu Jintao is slated to become China's next president, the Communist Party's next General Secretary, and the Central Military Commission's (CMC) next chairman. Hu, like many fourth generation leaders, is considered a moderate to liberal reformer. These new politicians have different visions for China than their predecessors, and thus will make different decisions and will initiate a different decision-making process. They are expected to be more accessible and more open about their views and policies. Chapter V explains the changes that China will experience in the coming year and how such changes in personnel will affect the

institutions and mechanisms that have long dominated China's foreign policy making.

Chapter VI concludes with an overall analysis of the decision-making process in China and what we can expect from China's leaders in the future. Many Americans have a tendency to "mirror image" other nations and therefore expect other governments to act as our own would act. They become disappointed or disgruntled when the results are not what they expected. The fact of the matter is, not all national governments act as the U.S. Government does, and certainly China falls into this category. What should be gained from this thesis is that China does not have a crisis management mechanism in order to respond quickly when crises arise. Nor does China have a National Security Council to advise the President in decision-making or a CIA to provide accurate and timely intelligence during times of crisis. What China does have is a group of new leaders who seek to reform China politically, economically, and militarily.

There exists no Western theoretical framework that can capture the entirety of the workings of government in China, but as time goes by, the policy-making process is becoming more compatible with global systems and therefore more predictable. Decision-making in China has become less centralized and more open to international norms. China will continue to be ambiguous, complex, and shifting, so we must continue to study, research, watch, and analyze in order to not only understand the PRC decision-makers, but to aid them in the process. Chinese foreign policy is an

important aspect of US foreign policy, and thus understanding it is a necessary endeavor.

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## II. CHINA'S LEADERSHIP: PAST TO PRESENT

### A. HISTORICAL PROCESS OF DECISION-MAKING

In the early decades of the PRC, what mattered was not an objective standard of legality but moral judgment of right and wrong according to the Communist Party. In other words, there were "rules of the game" by which elite politics in China were relatively autonomous from society and hence resistant to change. The rules by which elite actors played were not found in a written constitution or even within formal institutional arrangements at the top of the system. They were rather designed by the top party leaders. After Mao Zedong died and Hua Guofeng was promoted to chairman of the Communist Party, there was a belief in the "two whatevers," which meant whatever decision Chairman Mao made, the people would resolutely support, and whatever instructions Chairman Mao made, the people would steadfastly abide by.<sup>1</sup> Thus, the Communist Party in the early 1950s governed the nation through one dominant leader who made all the decisions for China and saw himself as above the law.

Throughout the decision-making process, Mao made all the major decisions concerning the implementation of policy and policy changes. In the 1960s, Mao typically made all major decisions by himself and the Politburo Standing Committee (PBSC) represented only a rubber stamp.<sup>2</sup> Mao, as chairman of the Communist Party and the Party

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<sup>1</sup> Maurice Meisner, Mao's China and After, third edition, (New York: The Free Press, 1977), 428.

<sup>2</sup> Lu Ning, The Dynamics of Foreign-Policy Decisionmaking in China, second edition, (Colorado: Westview Press, 2000), 94.

Central Military Commission (at that time known as the Military Affairs Commission), dominated foreign policy decision-making until his death in 1976. After Mao's death, the processes within government began to change in China.

Hua Guofeng was installed as the new chairman of the CCP in 1976, based on what was claimed to be arrangements made by Mao on his deathbed. Hua Guofeng won few new political adherents and found it difficult to fill the shoes of Mao. During his short rule, Hua proposed a ten year plan which quickly proved to be financially unviable and was soon abandoned. The abortiveness of Hua's economic plan was one main factor in his political demise. Another cause leading to Hua's overthrow was the growing power and popularity of Deng Xiaoping.<sup>3</sup> Deng's political ambitions rested on a powerful base of social and political support, including high-level bureaucrats, old cadres, and PLA generals. By 1977, Deng had gained a place at the top of the political hierarchy, and his power and popularity continued to grow over the next decade.

The relationship between Deng Xiaoping and Chen Yun, a well known party elder, had a major impact on the distribution of power below the apex of the system and on the decision-making authority within the government. The policies of Chen Yun and other conservatives were quite different from that of Deng. Deng had a difficult time trying to dominate China's policy agenda, although he was determined to do so. Deng had two subordinates who were responsible for carrying out reforms, Hu Yaobang and Zhao

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<sup>3</sup> Maurice Meisner, Mao's China and After, third edition, (New York: The Free Press, 1977), 430.

Ziyang. Although Deng depended on them to implement and enforce policy, these two leaders worked on a different political level than Deng and Chen, and they were not allowed to speak to either of them on an equal basis. Deng went to great pains to maintain stark differences in political status between himself and his competitive compatriots.

Thus, during the Dengist era there were two important aspects of political structure. First was the role of Chen Yun as a proponent of a policy line that differed significantly from that espoused by Deng. Second, there was the carefully constructed balance that Deng established in order to maintain the stability of the party while biasing party structure toward his own policy agenda.<sup>4</sup> This structure was significant because it affected the way decisions were made during Deng's rule. Basically, policy decisions were made that were suboptimal, because they were designed to counterattack flaws within the policies and were based on compromise instead of optimal rewards. Although Deng had adversaries within the government who challenged his role, he still desired to maintain a Mao-like status regarding decision-making authority. At this point, we can begin to see a pattern of change from Mao's dominance to Deng's submission to arbitration while trying to maintain absolutism.

Deng Xiaoping was determined to reform Chinese society and the economy, even at the risk of worsening the current stability in China. Chen Yun was China's senior economic planner, but he did not participate regularly in the policy

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<sup>4</sup> Josheph Fewsmith, Elite Politics in Contemporary China, (New York: M.E. Sharpe, 2001), 50.

deliberations of the party Secretariat and State Council, and his roles now appear to have been less important in many respects to those of Hu Yaobang and Zhao Ziyang. Before the Tiananmen Square tragedy, Hu Yaobang died of a heart attack in the spring of 1989. Hu had been an advocate of greater political and intellectual freedom. He served as a vehicle for frustrated students and intellectuals to criticize the more conservative leadership. Hu had been purged as general secretary in 1987, and his 1989 death touched off the Tiananmen student demonstrations. Some students turned the demonstrations into explicit challenges to the way China was being led. The Chinese people were upset about corruption in the government and soaring inflation as a result of Deng's reforms.

The demonstrations, which began in Beijing, soon spread to other cities. It is important to note that the demonstrations were carried out not only by student protesters, but also by workers, entrepreneurs, and even many Communist Party officials. On May 19, 1989, Zhao Ziyang was removed from power for voicing support for the students, and martial law was declared in Beijing. On June 4, PLA troops used much force against the demonstrators and killed over 330 people, although other estimates put the deaths much higher - between nine hundred and three thousand.<sup>5</sup> The decision by Deng to use martial law would turn out to be a decision that would affect China internally and internationally for a long time to come. The Tiananmen Square incident is a case study all its own,

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5 Kenneth Lieberthal, Governing China; From Revolution Through Reform, (New York: W.W. Norton & Company, Inc. 1995), 142.

but it gives credence to the importance of learning how and why Chinese leaders make certain critical decisions in times of crisis.

After the summer of 1989, leaders in the PRC government realized that changes had to be made or the consequences could lead to internal collapse. Deng called for a period of several years of stability. Hu Yaobang and Zhao Ziyang had fallen, and the new comrades who moved to the fore included Li Peng as Premier, who had been appointed in 1988, and Jiang Zemin as General Secretary of the Chinese Communist Party.

Overall, regarding the historical processes of decision-making in China, it is important to recognize the evolution over time. In Mao's day, he dominated all decision-making and emphasized Party control and military power within the government. Deng manipulated the system in order to control the decision-making process, although he was constantly engaged in struggles with the "rightists" and hard-liners. Today, Jiang Zemin has a political style unknown in China until the late 1990s. Jiang thus far has been successful at incorporating other players into the decision-making process, such as the PBSC and members of the Central Military Commission (CMC).

#### **B. THE TRANSITION TO THIRD GENERATION**

During the Tiananmen tragedy, Tang Tsou wrote in an article that "...Chinese political culture has not yet accepted the politics of compromise that are so vital to democratic governance."<sup>6</sup> In 1997, when Deng died, the

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<sup>6</sup> Joseph Fewsmith, Elite Politics in Contemporary China, (New York: 13

shift from first generation (Mao) to second generation (Deng) to third generation (Jiang) began to become more apparent in Chinese politics, as political culture began to change and compromises within the party became more necessary. The way in which Jiang Zemin became head of the Communist Party and president of China was quite unusual. Three weeks prior to convening the Fourth Plenum of the Thirteenth Central Committee, Deng Xiaoping called Premier Li Peng and Politburo Standing Committee member Yao Yilin to inform them that Jiang Zemin would be the next General Secretary. Deng said that he had checked with Chen Yun and Li Xiannian, which gives a fairly accurate account of the range of consultation needed to make the most critical decisions in the Party.<sup>7</sup> Therefore, regarding top leadership issues such as the next president or general secretary, other high ranking members of the Party were not consulted at all. This is the type of informal politics that existed in the PRC during Deng's rule and that began to diminish under the authority of Jiang Zemin. Additionally, the role of the Central Committee and the Politburo Standing Committee (PBSC) seem to be gaining in political importance in recent years.

Similarly, foreign policy decision-making has undergone a period of transition in China. In the past, Mao allowed only a limited amount of discussion and debate among the top leadership regarding China's foreign policies. Through the combination of high-level appointments and military affairs, foreign policy decision-making became one of the centralized areas in China's

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M.E. Sharpe, 2001), 51.

<sup>7</sup> Ibid, 55.

political system. Mao and the CMC leadership dominated this aspect of government until his death in 1976.

During and after the Deng era, all major foreign policy decisions were made by the PBSC or by the paramount leader with his nuclear circle. Prior to the Thirteenth Congress of the CPC in 1987, the Ministerial Party Group, like the Politburo, was the highest decision making body in the government bureaucracy. It consisted of most of the ministers including vice and assistant ministers. In the 1980s, all policy matters in state affairs rested with ministerial leaders.<sup>8</sup> Department officials from each ministerial office had the power to oversee the day-to-day operations that fell under their respective jurisdiction under established rules set by the Party. Even for decisions with already established rules or precedents, a proposed course of action would often be referred to the responsible ministerial leader for ratification.

Throughout the 1980s, all ministers and at least one departmental ranking official from every department would gather for a session at which a briefing would be provided, similar to a national security briefing to President Bush by Condoleezza Rice. Since the ministers are no longer running the show as far as foreign policy decision-making, these briefs have since been transformed into a written report each morning rather than a verbal brief.<sup>9</sup> This indicates that the authority that ministers once held has been passed on to the Politburo Standing Committee and the Foreign Affairs Leading Small Group.

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<sup>8</sup> Lu Ning, The Dynamics of Foreign-Policy Decisionmaking in China, second edition, (Colorado: Westview Press, 2000), 18.

<sup>9</sup> Ibid, 29.

Since China has greatly expanded its interaction with the rest of the world and management of foreign relations has become more complex, the role of the foreign affairs bureaucracies in decision-making has begun to increase. One reason for this is because Jiang's generation of leadership has a narrower power base and is therefore more susceptible to lobbying by bureaucracies. In the past, Mao or Deng would not have tolerated such interference.

Since the founding of the PRC, important foreign policy decisions have been made by a leading nuclear circle, which today is the seven members of the Politburo Standing Committee. In the post-Deng era, the responsibility for making major decisions is with this leading nuclear circle. The two leading bodies, the Secretariat and the PBSC, act as either a rubber stamp to lend legitimacy to decisions made by the paramount leader, or they act as a forum for building intra-elite consensus or coalition. Essentially, these leaders act as the command center for directing and implementing major policy goals.

The emergence of new leaders such as Jiang Zemin, Li Peng, and Zhu Rongji represent a transition of leadership from a revolutionary generation to a generation of technocratic politicians. These new leaders have been characterized by a lack of absolute authority of the kind that existed in Mao's era. There is no single leader who can command unquestioned authority in the party, government, or military today. This has led to a more collectivized decision-making process through the PBSC,

which in the 1990s began to represent more bureaucratic interests.

An example of transitional leadership and power within the PRC was demonstrated when the percentage of military representatives in the Politburo declined sharply from 31 percent in the 1977 Eleventh Central Committee's Politburo, to 11 percent in the Thirteenth, and finally to 8 percent in the Fifteenth in 1997. There are no PLA generals today that serve on the PBSC. Additionally in 1998, the number of ministries under the State Council was reduced from 40 to 29.<sup>10</sup>

Most of the current leaders were politically inconspicuous before 1982, and within a decade and a half, they have risen to China's top leadership. Most of these leaders were only teenagers during the Cultural Revolution, and therefore they do not carry the revolutionary baggage of their predecessors. Jiang Zemin is a third generation leader in China who has encouraged transformations within the party and government systems and who has a political style unlike any of his predecessors.

### **C. JIANG ZEMIN'S POLITICAL STYLE**

It has been noted that Jiang Zemin does not hold the authority of Mao or Deng, and there have been questions about whether senior political leaders accept his rule. Jiang is unable to appeal to historical contributions he made in the revolution since he was only a student in the late 1940s. Instead, he is known to respond to challenges to his position and authority by invoking rules. For

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<sup>10</sup> Cheng Li, China's Leaders; The New Generation, (New York: Rowman and Littlefield Publishers, 2001), 54.

example, in 1992 the Fourteenth Party Congress increased the overlap between the party and the state by making the top four members of the Politburo Standing Committee also heads of the major state organs. These four members were Jiang Zemin, Li Peng, Qiao Shi, and Li Ruihuan. This was apparently an effort for Jiang to consolidate his own power and reduce any opposition at the party and state levels.

Jiang has attempted to differentiate the functions of the party and the state more than has been done in the past to ensure a greater role for government in policy-making. He has also made the transition from personal to collective decision-making. At the Fifteenth Party Congress in 1997, almost 60 percent of the Central Committee (CC) was replaced in order to ensure the promotion of younger and better-educated cadres. Additionally, at the first session of the Ninth National People's Congress in 1998 Jiang announced a major reorganization of the government to reduce the number of ministries and commissions under the State Council from forty to twenty-nine and to cut government personnel by fifty percent.<sup>11</sup> It is expected that Jiang will retire after his present five-year term because of his age - a criterion that he himself established in order to make it difficult for people to stay in political positions past the age of seventy.

Jiang's initial lack of international experience restricted his dealings with foreign affairs of the CCP. Zhu Rongji, assisted by Qian Qichen, oversaw the foreign policy of the government and state until Jiang could get up to speed. Jiang's leadership appears to rely more on power

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<sup>11</sup> Joseph Fewsmith, Elite Politics in Contemporary China, (New York: M.E. Sharpe, 2001), 77.

sharing and consensus building rather than on independent power struggles. To date, Jiang's foreign affairs experience has broadened, allowing him greater involvement in the process as well as increased confidence in him by his associates.

When Jiang appointed Hu Jintao as a core member of the next generation, Jiang somewhat diminished the pressure of contenders for power among leaders of his own generation, such as Li Peng, Zhu Rongji, and Li Ruihuan. Hu Jintao has been implicitly identified as Jiang's successor. For Jiang, this establishes a boundary between the generations, identifying himself as part of the third generation, and declaring that upon his retirement, the fourth generation leadership will take over.

A recently published book entitled Jiang Zemin's Counselors lists four people as Jiang's closest political friends: Wang Daohan, former mayor of Shanghai and the man who has been in charge of China's negotiations with Taiwan; Zeng Qinghong, Jiang's longtime assistant and newly elected Politburo alternate who now runs the powerful Organization Department of the CCP; Chen Zhili, a new full member of the Central Committee and the woman who has recently been chosen to take over the Ministry of Education; and Liu Ji, former vice president of the Chinese Academy of Social Sciences and coauthor of a well-known article, "On Scientific Policy-Making," which advocates technocratic thinking for China's reform. All four are from Shanghai, and each has a technical education.<sup>12</sup> These four people are significant in Chinese politics, not because they have any

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<sup>12</sup> Cheng Li, China's Leaders; The New Generation, (New York: Rowman and Littlefield Publishers, 2001), 29.

direct decision-making authority, but because they have close enough contact with Jiang Zemin to play an influential role in guiding his decisions.

Another one of Jiang's close political partners is Wang Huning, the former president of the East China Institute of Politics and Law. Wang now has the official title "assistant to the president of the PRC," and he travels with Jiang to foreign countries.

Jiang has not put an ideological stamp on politics as did his predecessors. In general, he has taken a middle course that encompasses a wide spectrum of opinion, from ideological hard-liners to the "bourgeois liberals."<sup>13</sup> Furthermore, Jiang has distanced himself from Li Peng, because Li is more cautious about economic reform while Jiang is eager to restructure the government and the economy and the relationship between the two. Therefore, one could speculate that when a crucial decision has to be made, one of Jiang's closest friends probably has more influence in the process than the Chinese Premier.

Jiang's perceived thought process is different from his predecessors in many ways, which could be attributed to the changing times and the importance placed on economic relationships. Jiang apparently considers the importance of economic growth during times of crisis. For example, when the US accidentally bombed the Chinese Embassy in Belgrade, the PRC leadership quickly realized that US-China relations were too important to be sacrificed to the emotions of the moment. Trade and a stable international

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<sup>13</sup> Joseph Fewsmith, Elite Politics in Contemporary China, (New York: M.E. Sharpe, 2001), 135.

environment are essential for China's continued economic development, and domestic stability would be impossible without economic development. Thus, economic considerations influenced the reactions of PRC leaders and the decision-making process. We will see that such considerations also influenced Chinese decision-making during the EP-3 crisis.

China's foreign policy has always been dictated by twin sources: the nation's physical security and the nation's economic development. During the Mao era, the nation's physical security was the primary concern, whereas now, the focus of foreign policy is more on China's economic development. As a result of this economic bias, there has been a decentralization of decision-making power, particularly in favor of the foreign affairs establishment at the expense of the central leadership.

The bottom line regarding Jiang's style of leadership and the way in which he makes decisions is that he is considered a reformer among Chinese politicians and is eager to implement changes within China's economy, government, and society. He consults members of the PBSC, the top brass of the CMC, and his closest personal friends to receive guidance on major policy decisions. This is not to say that Jiang is not capable of making significant decisions on his own, but it is clear that he does not hold power in order to emulate Mao and Deng. Jiang makes decisions based on economic growth and what will sustain China in the future. Since Jiang became party leader, China has seen the most stable political situation, its

greatest national strength, its most active diplomacy, and the most remarkable improvements in people's lives.<sup>14</sup>

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<sup>14</sup> Bruce Gilley, Tiger on the Brink, (CA: Univeristy of California Press, 1998), 327.

### III. PRC GOVERNMENT STRUCTURE

#### A. STRUCTURE OF THE PARTY AND STATE

The national party congress is the most authoritative body within the Communist Party and meets once every five years for approximately ten days. The Sixteenth National Party Congress consisting of approximately 2000 delegates, will meet in the fall of 2002. The national party congress has three main tasks. First, members review the work of the Communist Party over the preceding five years since the last congress. Second, they lay out guidelines for the work of the party for the next five years. Finally, they elect new full members and alternate members of the party Central Committee.

The Central Committee (CC) is made up of approximately 190 Communist Party members and ratifies decisions by the party leadership on behalf of the national party congress. The CC meets at least once a year between party congresses. CC meetings are called plenums or plenary Sessions, the first of which begins the day after the national party congress meeting has ended. Other departments below the CC include the Organization Department, the General Office, the Propaganda Department, the United Front Work Department, the International Liaison department, the party newspaper Renmin Ribao, its journal Qiu Shi, and finally the Political Bureau (Politburo).

The Organization Department keeps track of the careers of members in the party, including promotions and demotions, although this department has no real decision-making power. The General Office is responsible for the

administrative work of the party. Those who work in the General Office hold high security clearances and powerful positions because they handle sensitive paperwork that is not available to all party members. The Propaganda Department relays the public message of the Communist Party and governs radio and television throughout the nation. The United Front Work Department is the link between the party and labor unions and religious associations. It relays the interests and concerns of the workers to the party leadership and identifies any problems that the leaders should know about. The International Liaison Department handles external relations within the department and today is a less insignificant component of China's foreign policy than in the past. The *Renmin Ribao* is the *People's Daily* Communist Party newspaper, which is the most important publication in China. Another publication is *Qiu Shi*, which means "seeking truth" and which has been the party journal since 1988. The role of these and other sources of media will be explained in greater detail in Chapter IV.

Finally, the Politburo is the seat of decision-making in the central leadership and is responsible for political affairs when the CC is not in session. There are approximately 20-25 members in the Politburo. The regular members of the Politburo hold key positions in virtually every important political body in China. The General Secretary Jiang Zemin presides over the Politburo meetings. Within the Politburo is the Politburo Standing Committee (PBSC), which is made up of seven people and which generally meets once a week. These seven individuals are the true decision-making core in China. It is understood

that the Politburo Standing Committee is usually the de facto decision-making center, even though the CCP's constitution states that the Central Committee is the superior power organ.<sup>15</sup>

The PBSC since 1992 includes the general secretary of the CPC (Jiang Zemin), the chairman of the CMC (Jiang Zemin), the PRC state president (Jiang Zemin), the chairman of the standing committee of the national people's congress (Li Peng), and the chairman of the Chinese People's Political Consultative Conference (Li Ruihuan). Since the 15<sup>th</sup> Party Congress in 1997, the PBSC is made up of Jiang Zemin, Li Peng, Premiere Zhu Rongji, Li Ruihuan, Hu Jintao, Wei Jianxing, and Li Lanqing. Wei Jianxing is secretary of the Central Discipline Inspection Committee and Li Lanqing is vice premier.<sup>16</sup>

The Secretariat is the executive political arm of the Communist Party, consisting of six to ten members, which oversee the implementation of PBSC decisions. The Secretariat is responsible in general for overseeing policy implementation. Implementation itself and decision-making authority regarding policy details belong to respective party, military, and government agencies and their party groups. Therefore, the Secretariat is not officially a decision-making body.

The seven Politburo Standing Committee members are the leadership core and the supreme policy-making body, and they are responsible for making major policies of wide

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<sup>15</sup> Carol Lee Hamrin and Suisheng Zhao, ed, Decision-Making in Deng's China: Perspectives from Insiders, (New York: M.E. Sharpe, 1995), 26.

<sup>16</sup> Lu Ning, The Dynamics of Foreign-Policy Decisionmaking in China, (Colorado: Westview Press, 2000), 7.

ranging and far-reaching impact. The Secretariat is led by the general secretary, who is without exception also a member of the Standing Committee of the Politburo. The Secretariat is responsible for making routine decisions with regard to the overall work of the party and the state, but these major policy decisions are reserved for the 20-25 members of the Politburo.

Although the Politburo and Secretariat meetings are the official venues for making important decisions, most decisions of secondary importance are made on paper through endorsing or rejecting a "request for information" (RFI) by the PBSC. Usually a PB meeting would not be convened for a decision of secondary importance. An example of a decision of secondary importance would be how to handle the 1983 hijacking of a Chinese domestic flight. The Ministry of Foreign Affairs (MFA) Department of Soviet and East European Affairs drafted an RFI to turn over the hijacker to the Russians. The Ministry of Foreign Affairs (MFA) leadership signed on to the idea and submitted it to the central leadership for endorsement. This issue was considered tactical and was handled at the MFA level because it did not concern China's fundamental interests or directly affect China's foreign policy.<sup>17</sup> This thesis however, will focus on decisions made during crises that do affect foreign policy and national security, and therefore involve the most important bureaucracies and political leaders in China.

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<sup>17</sup> Lu Ning, The Dynamics of Foreign-Policy Decisionmaking in China, (Colorado: Westview Press, 2000), 101.

There is a distinction between Party structure and state structure. When someone refers to the government of the PRC or the NPC, they are talking about the state, not the Communist Party. The structure of the state parallels that of the party and begins with the National People's Congress (NPC), which is made up of 3,000 people, all members delegated by the Party. The NPC meets once a year each spring. The members review what the government has done over the past year and lay out priorities for the next year. It appoints a new National People's Congress Standing Committee (NPCSC) every five years. Constitutionally, the NPC is the "highest organ of state power" in China, and "exercises the legislative power of the state." It has the power "to decide on questions of war and peace."<sup>18</sup> In reality though, the NPC has not been very influential in most cases in the past, but in recent years it has become more active and vocal.

The NPCSC is made up of 125 delegates that meet on average once a month on behalf of the NPC. They elect the State Council members and ministers of all thirty ministries. The State Council is the top executive organ of the state and the premier state administrative organ. Under the State Council there are several state commissions, such as the State Planning Commission and the State Economic and Trade Commission. The top leadership of the state consists of the premier of the State Council Zhu Rongji, the chairman of the NPC, Li Peng, and the president of the PRC, Jiang Zemin, which is only a ceremonial post.

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<sup>18</sup> A. Doak Barnett, The Making of Foreign Policy In China; Structure and Process, (Colorado: Westview Press, 1985), 29.

The premier is involved in the actual day-to-day governance of China.

One of the State Council's basic problems in dealing with all policy areas is how to coordinate effectively the activities of the numerous government ministries, commissions, and other organizations operating in particular fields. In the past there were coordinating points called "staff offices", but these no longer exist. Today, coordinating points are called *kou* which means "opening" or "channel". In other words, the Chinese bring together many units or state offices under one coordinating office. These coordination points are headed by vice-premiers, which demonstrates how government work is channeled upward to top levels.

As far as decision-making authority, the PBSC makes decisions, then uses the state through the State Council to implement decisions. The Secretariat oversees the implementation of Politburo decisions. Under the Secretariat there are sub-groups such as the Foreign Affairs Leading Small Group (FALSG), now led by Jiang Zemin. These sub-groups will be covered in detail in the third section of this chapter.

Provincial politics in China is set up similarly to state and party politics. There is a provincial party congress, provincial party committee, standing committee presided over by a secretary, and a provincial people's government presided over by a governor, as well as bureaus, organizations and departments. Each province has its own newspaper that speaks for the party in that locale. Additionally, each province is a military district presided

over by a commander and political commissar who ensures the political reliability of PLA troops and conducts party education. The Bureaus and offices within the provinces report to the provincial people's government or to a party committee, but they also report to the equivalent body at the national level. Many provinces are very large, and some consist of approximately 100 million people or more. Decision-making at the provincial level is limited to local affairs, but the organization of the system is important because it demonstrates how information and authority travel up to the top leaders in the national government.

China's political community is divided into those who belong to the Communist Party and those who are not members. Those who are Communist Party members have more obligations, but also more influence and privileges. China has a bottom-up system where responsibility is deferred up, so all the power is at the top within the Politburo and particularly within the Politburo Standing Committee. Decision-making often gets paralyzed at the top and leads to inefficiencies in the system.

#### **B. THE CHINESE STAFF SYSTEM**

The Chinese staff system is important because it is a mechanism for bureaucratic control, and it reveals the function of counterbureaucracies in China. The staff system operates through the general office at various levels. It is like a subunit to a bureaucracy and provides leaders with a contervailing base of expertise and information to effectively control the bureaucracy.<sup>19</sup> The

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<sup>19</sup> Wei Li, The Chinese Staff System, (California: University of California, 1994), vii.

staff system also works to integrate bureaucracies by creating a horizontal as well as vertical organization throughout the political system. The personnel that head these general offices are as important as the offices themselves, because they have immediate access to the highest levels of government and the most prominent party members. Thus, the names discussed in this section will arise again when considering who in China has decision-making authority and who has the greatest influence over those key decision makers.

General offices (GOs) in China are responsible for coordinating, on a day-to-day basis, virtually every aspect of the work and the interpersonal relations among political elites and between the leading and the led. GOs are said to be the principal source of information for PRC leaders. The GO system is situated at the very core of the Chinese authority structure and is one of the most secretive organs in the Chinese political system.<sup>20</sup>

The Chinese Communist Party Central Committee, the State Council, the standing committee of the NPC, and the Central Military Commission (CMC) each has a GO within which work staffs of secretaries (*mishu*). These offices collect, analyze, verify, transmit and store information. Additionally, they conduct research and investigate as well as provide options and advice for policy making. The GO secretaries also look after the personal needs of high-level PRC leaders. Altogether there are close to a million GO personnel in the Chinese political system.

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<sup>20</sup> Ibid, 5.

However, at the prefecture-level, there are only approximately forty GOs.

The Central Committee GO supports the central leadership who not only wield command over the various departments directly under the Central Committee, but also control the party committee systems which are integrated into the State Council and the National People's Congress. The CC GO has had the added important duty of coordinating communication between the Politburo and the political elders whose role in policy making is increasingly diminishing. There are approximately one thousand people in the Central GO.<sup>21</sup> In the Central GO there is a GO director in charge of all staff work and daily operations. Jiang Zemin has recently appointed his protégé, Zeng Zinghong, to be director of the Central GO.

In the Central leadership squad, the three types of leadership bodies are the Politburo, Central Secretariat, and the Central squad-level Leading Small Groups (LSGs). They all have two features in common: they are composed basically of Central leaders, and their members meet only at scheduled meetings and events. It is the GO head's job to contact, negotiate with, and bargain with his counterpart or other leaders of the other units.

In the State Council GO, there is a "chief *mishu*," who is currently Luo Gan. Evidence suggests that in terms of political and administrative support, the State Council General Office performs basically the same staff services for the State Council leadership squad, which consists of

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<sup>21</sup> Ibid, 19.

the premier, vice-premiers, and state councilors as the central leadership squad.<sup>22</sup>

The Central Military Commission has both a GO director and a chief *mishu*. The GO director leads the leadership squad, while the chief *mishu* leads the *mishu* squad. The leadership squad is entitled to make defense related decisions and the *mishu* squad is to assist the decision-making process and supervise the implementation of decisions.

A GO plays a major role in policy formation, by providing options and advice so that leaders can make informed decisions. As the decision-making process in China becomes more decentralized, the GO role will be reinforced in order to maintain control and coordination among Chinese bureaucracies. Since leaders meet only at certain times, GO members keep the lines of communication open and synchronize their actions. Although GO members have no decision-making authority themselves, they keep the system running smoothly by helping to avoid further inefficiencies in the PRC decision-making process.

### **C. PRC SUB-ARENAS AND MILITARY INFLUENCE**

According to the analysis of RAND analyst Michael Swaine, there are four sub-arenas within the PRC government relevant to security policy. They are: 1) the national strategic objectives sub-arena; 2) the foreign policy sub-arena; 3) the defense policy sub-arena; and 4) the strategic, research, analysis, and intelligence sub-arena. The national strategic objectives sub-arena consists of

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<sup>22</sup> Ibid, 19.

those who have supreme power over the Communist Party, state and military. This consists of Jiang Zemin, his advisors, senior associates on the Politburo Standing Committee (PBSC), and any influential retired elders from the revolutionary generation (although the most well known elders died in the late 1990s). The members of the national strategic objectives sub-area respond to major external crises. Today, there is no single individual leader in China who wields predominant influence in times of an internal or external crisis.

Military involvement varies among the four sub-areas, even though Deng Xiaoping allowed PLA officials to become officially involved in government affairs in 1992. As a result, ten PLA generals began attending PBSC meetings. Although there is military representation within the national strategic objectives sub-area, it is only a select few who actually have the authority to make decisions regarding China's national security.<sup>23</sup>

Today there are four individuals who make up an informal national security directorate within the national strategic objectives sub-area: Jiang Zemin as head of the CMC, Communist Party, and PBSC, Li Peng as chairman of the NPCSC and head of the foreign policy system, Zhang Wannian as a PLA general and member of the Politburo, and Chi Haotian, another PLA general and China's defense minister. Zhang and Chi are both in their sixties and have served as deputy CMC heads since 1995. Typically, these two PLA generals make all major decisions on defense

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<sup>23</sup> Michael D. Swaine, The Role of the Chinese Military in National Security Policymaking, (CA: RAND, 1998), 11.

policy.<sup>24</sup> Chi and Zhang are the two top military officers who are also members of the Fifteenth CC Politburo, but neither is on the PBSC.

These four are well known individuals within the PRC leadership and are considered the key decision-makers regarding national strategic objectives in China. Jiang Zemin and Li Peng are familiar names throughout this study, and they are essentially known throughout the world as China's top leaders. It has been reported that China's collective leadership generally requires face-to-face meetings among senior members to reach a consensus on major issues. Therefore, it can be assumed that these four men met together before a decision was made regarding the EP-3 incident. If such a meeting did occur during that crisis, Zhang Wannian was not present since he was reportedly traveling when the incident occurred. It should be noted that Jiang Zemin ordered the PLA out of the business of government affairs in 1998, but the extent to which that has actually happened remains to be seen.<sup>25</sup>

In the foreign policy sub-arena, members from the Ministry of Foreign Affairs or the Foreign Affairs Leading Small Group (FALSG) make most of the decisions, which are then approved by the PBSC (usually with little deliberation). It is important to note that the PLA plays no role in the foreign policy sub-arena. Prior to 1998 Li Peng dominated the foreign policy sub-arena and had much influence over China's foreign policy issues. Since then,

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<sup>24</sup> Michael D. Swaine, The Role of the Chinese Military in National Security Policymaking, (CA: RAND, 1998), 14-15.

<sup>25</sup> Joseph Fewsmith, Elite Politics in Contemporary China, (New York: M.E. Sharpe, 2001), 106.

Jiang Zemin has taken over China's foreign policy issues but continues to consult Li Peng on foreign policy dilemmas, but it has been reported that tension and competition exists between the two powerful leaders.<sup>26</sup>

The defense policy sub-arena is often called the "military policy" or "military strategy" realm in China. The main decision makers in this sub-arena regarding military policy issues are Jiang Zemin, Gen. Zhang Wannian and Gen. Chi Haotian. These three men make up what is known as the informal executive committee of the CMC. Jiang is head of the CMC and Chi and Zhang are CMC deputy chairmen. Jiang Zemin usually does not attend CMC meetings on a regular basis, but will send a close aide on his behalf who will report back to him.<sup>27</sup> The CMC is the dominant structure below the Politburo or PBSC. The most important PLA organizations involved in foreign relations are the CMC and the General Staff Department (GSD). The CMC has only five offices and approximately 100 people, but it is the supreme organization responsible for determining policy for the PLA. It is similar to the FALSG, but ranks higher or is equal to the State Council. Each of the three members of the CMC executive committee also heads a committee or small group within the CMC which is responsible for making specific military policies. Hu Jintao is the Vice Chairman of the CMC, but so far he has little influence in defense decision-making because, like Jiang, he has no military background and has not yet been integrated into this realm of the party.

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<sup>26</sup> Michael D. Swaine, The Role of the Chinese Military in National Security Policymaking, (CA: RAND, 1998), 29.

<sup>27</sup> Ibid, 43n12.

The most influential organization next to the CMC as part of the military structure is the GSD, which provides the greatest amount of input into defense policies.<sup>28</sup> Members of the GSD have the authority to replace or reshuffle key PLA officials (with the support of the party leadership). The GSD has become increasingly important in policy implementation and in shaping high-level decision-making. The PLA Foreign Affairs Office belongs to the GSD, but administratively serves the CMC, GSD, and the Ministry of National Defense (MND).

In times of crisis it appears that the four members of the informal national security directorate (Jiang Zemin, Li Peng, Zhang Wannian, and Chi Haotian) are the supreme decision makers on how Beijing will react. However, during the 1989 Tiananmen Square crisis, a temporary Military Affairs Leading Small Group (MALSG) was established to advise the CMC on appropriate military actions to take.<sup>29</sup> After the Tiananmen incident was over, this temporary group was abolished, but it is possible (yet undocumented) that a similar situation occurred during the EP-3 incident in which a MALSG may have been established to aid Jiang in his decision-making process. PRC authorities secretly created a crisis management team consisting of officials in charge of politics, foreign policy, and military affairs in 2001 to deal with crises at the national level. This team is known as the Central Leading Group for Security Work and is modeled after the U.S. National Security Council. The group apparently consists of Jiang Zemin, Hu Jintao, Qian Qichen,

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<sup>28</sup> Ibid, 46.

<sup>29</sup> Ibid, 53.

Zhang Wannian, and Xiong Guangkai. Also, another group has been created to focus solely on foreign affairs issues and consists of Jiang, Zhu Rongji, and Qian Qichen.<sup>30</sup> Not much is known about the status of either of these groups or what role they played in the EP-3 incident.

Finally, in the strategy, research, analysis, and intelligence sub-area there are no key decision makers. However, there is one person--Lieutenant General Xiong Guangkai, mentioned above who is very close to Jiang Zemin on a personal level and provides him with military intelligence and information about the state of the PLA regarding military modernization, troop morale, and corruption within the top ranks of PLA leadership. Gen. Xiong is also the point of contact for Sino-American military-to-military dialogue.

The military structure begins with the Central Military Commission (CMC), previously known as the MAC. Under the CMC is the General Staff Department (GSD), General Logistics Department (GLD), General Political Department (GPD), and the General Armament/Equipment Department (GAD), created in 1998. Under each of these departments, there are twenty-four group armies, within seven military regions each of which has GSD, GLD, and GPD commanders. Additionally, there are thirty-one military districts within the seven regions.

The Communist Party CMC is a party body and is not an arm of the state, although there is also an identical state CMC. Members of the CMC are appointed by the Central

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<sup>30</sup> <http://interactive.wsj.com/archive>, "China Gets Apology, But Not The Way It Wanted," (Dow Jones & Co, Inc., 4/11/2001).

Committee rather than the National People's Congress. The current members of the CMC (both the Communist Party CMC and the State CMC have identical membership) are Jiang Zemin, Zhang Wannian, Chi Haotian, Fu Quanyou, You Yongbo, Wang Ke, Wang Ruilin, Cao Gangchuan. The CMC members come up with a five-year defense plan, which is then reviewed and adopted by the state.

Jiang Zemin no longer attends working-level CMC meetings, but he does make high-profile appearances at important military events to show that he is paying attention to military affairs. Because Jiang is preoccupied with party and state affairs, Chi and Zhang have been given autonomy to run the CMC.<sup>31</sup> Zhang is not on the PBSC, so he has few personal ties with any of its members. His influence with the party leadership is instead through his official position on the full Politburo and, perhaps more important, as a member of the party Secretariat.

The primary contribution of the Chinese military high command has been to avoid taking any actions that might lead to military tensions that could lead to a lessening of foreign investments.<sup>32</sup> It does not want to take any action that may have an adverse impact on China's economy. This is a different stance by the military compared to Mao's rule because the military at that time had more power within the political system, whereas now they are more

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<sup>31</sup> David M. Lampton, ed., The Making of Chinese Foreign and Security Policy; in the Era of Reform, (CA: Stanford University Press, 2001), 65.

<sup>32</sup> Ibid, 79.

firmly controlled by the Communist Party which guides the national economy.

There is only a limited amount of detailed research and analysis of broad political-military and military-strategic issues done in China by working-level military professionals or civilian political-military analysts specifically to provide a basis for China's top decision-makers to deal with foreign policy issues. Thus, the contribution that the military makes to recommending policies is small.<sup>33</sup>

In general, the decision-making authority in China does not rest solely with the PBSC, although this is mostly the view presented to the public. There is a collective leadership composed of senior party and military leaders who contribute to national strategic and security decisions. The PLA itself is involved in military policy, but has very little involvement in foreign policy issues. The PLA was involved in the 1995-1996 Taiwan Straits crisis decision-making primarily because the incident gave the military an opportunity to ask the party for additional funding. According to James Mulvenon of RAND, "The PLA has gone from being a mile wide and an inch deep in influence, to being a mile deep and an inch wide...its direct intervention has narrowed," with a focus on defense issues. Denny Roy claims that the military and civilian leadership are in a constant bargaining mode. In the future, if the party elite becomes divided on external issues and decisions, the military will likely be more compelled to

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<sup>33</sup> Ibid, 85-86.

get involved in order to protect its own interests, but as of now, its influence is limited.

#### **D. THE FOREIGN AFFAIRS STRUCTURE**

The governing system of the PRC consists of the Communist Party, the government or state, and the military. At the apex of these systems is the Politburo of the Chinese Communist Party. Each sector of the Chinese political system is supervised by one of the seven members of the Standing Committee of the Politburo. These sectors are: military affairs, legal affairs, administrative affairs, propaganda affairs, united front affairs, and mass organization affairs.<sup>34</sup> These are informal sectors that do not appear on organizational charts, but they allow the PBSC to exercise centralized control over the whole political system and its processes.

In 1995, Deng Xiaoping, Jiang Zemin, and Li Peng made up of a small group, known as the leadership nuclear circle.<sup>35</sup> After the election of Zhu Rongji as premier and Li Peng's move to head the National People's Congress in March 1998, Li, though retaining the official number two position within the Party, saw his policy role diminish while Zhu's role increased. Therefore, by 1999, most of the important decisions on foreign and defense policy issues were made by Jiang and Zhu in conjunction with their

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<sup>34</sup> Lu Ning, The Dynamics of Foreign-Policy Decisionmaking in China, (Colorado: Westview Press, 2000), 8.

<sup>35</sup> Ibid, 9.

Politburo Standing Committee colleagues. Thus, de facto foreign policy decision-making power rests with the PBSC.

Jiang Zemin is in charge of foreign affairs as head of the Central Foreign Affairs Leading Small Group (FALSG). Normally Qian Qichen makes day-to-day decisions regarding foreign affairs while referring major decisions to Jiang and Zhu or the PBSC. Qian Qichen ascended to leadership of the Ministry of Foreign Affairs (MFA) in 1982. He was subsequently elected at the 12<sup>th</sup> Party Congress as a CCP Central Committee member. Qian quickly became a vice foreign minister and later minister. There are clear channels and procedures for policy making and decision making within the MFA.

Although the LSG is not officially a decision-making body, some decisions are in fact made during LSG meetings. Decisions at this level often involve cross-ministerial jurisdiction or interest. The principal function of the FALSG is to exchange views, to study problems, and to communicate; it does not decide what concrete measures are to be taken. The LSG provides a forum for top decision makers and top professional bureaucrats to meet face to face, thus the policy preferences and recommendations made by the LSG have an important impact on the outcome of final decisions. Therefore, the FALSG plays a pivotal role in the decision-making process, regarding analysis and recommendations.

Another part of the foreign affairs structure is the Ministry of Foreign Affairs (MFA). As of 1990, the MFA is one of the largest central bureaucracies, with a staff size

at 2,660 people.<sup>36</sup> The MFA plays the role of policy interpretation and as information provider for the central leadership. Additionally, the MFA conducts diplomatic affairs on behalf of the state. This was demonstrated in Hainan when all negotiations between US Embassy officials and the PRC had first to channel through a representative of the MFA. Of the numerous internal affairs departments, only the Confidential Communications Bureau and the Personnel Department have some relevance to the foreign policy process, as well as the International Liaison Department. If a proposed course of action would require cooperation or acknowledgment of any other department within the MFA, a telephone discussion with the relevant division of the department concerned is often initiated to obtain general endorsement.

If a foreign policy is being initiated, the relevant department takes the lead in drafting an RFI proposing a specific course of action, then will submit it to the FALSG for approval. The head of the FALSG (Jiang Zemin) can either approve it or submit it to other members of the PBSC for ratification or approval. If the issue is significant, the leading nuclear circle may call for a meeting of the PBSC or the entire Politburo to make a final decision.

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<sup>36</sup> Lu Ning, The Dynamics of Foreign-Policy Decisionmaking in China, (Colorado: Westview Press, 2000), 25.

## IV. CASE STUDY

### A. APRIL 2001 EP-3 INCIDENT

On April 1, 2001, China and the United States became engaged in a crisis for the first time since 1996. It will be useful to begin with a chronology of the Sino-U.S. controversy over the April 1 collision between a U.S. Navy EP-3 and a Chinese F-8 over the South China Sea:

April 1: A Chinese F-8 fighter jet crashed into the South China Sea after a mid-air collision with a U.S. Navy EP-3. The damaged EP-3 made an emergency landing on Hainan Island without permission. President Bush demanded immediate return of the 24 crew members and access to the U.S. plane.

April 2: U.S. diplomats from the American Embassy in Beijing traveled to Hainan to begin negotiations and check the condition of the aircrrew.

April 3: Jiang Zemin stated that Beijing demanded an apology from the United States. Ambassador Prueher indicated that Chinese military experts have inspected the plane. Meanwhile, a White House spokesperson stated publicly that Washington did not intend to apologize. U.S. diplomats had first contact with the EP-3 crew.

April 4: Jiang Zemin again demanded an apology. Secretary of State Colin Powell expressed regret over the missing Chinese pilot. Jiang Zemin left China to go on a tour of South America.

April 5: President Bush expressed his regret over the incident, but still refused to issue an apology. He said,

"I regret that a Chinese pilot is missing, and I regret one of their airplanes was lost, and our prayers go out to the pilot and his family."

April 6: Second meeting between U.S. diplomats and EP-3 crew members.

April 7: Chinese Vice Premier Qian Qichen sent a letter to the U.S. State Department via Yang Jiechi, the Chinese ambassador to the United States, stating that the U.S. response to the collision was unacceptable and demanding an apology. U.S. officials refused to apologize. A third meeting between U.S. diplomats and EP-3 crew was held.

April 8: No action

April 9: Both sides began working on a joint statement to end the crisis. The fourth meeting between U.S. diplomats and aircrew was held.

April 10: Fifth meeting with aircrew. China still demanded a full apology from the United States.

April 11: China acknowledged that fighter pilot, Wang Wei was dead, beginning to prepare the public for an end to the crisis. The standoff ended when Ambassador Prueher presented a letter stating the United States was "very sorry" for the loss of the Chinese pilot and for landing at Lingshui military base, on the southern tip of Hainan, without permission. Additionally, an April 18 meeting was set up to discuss the return of the aircraft to the United States. China announced that the crew could leave Hainan.

April 12: The EP-3 crew was taken from Hainan and flown to Hawaii, via Guam.<sup>37</sup>

There were several issues of contention regarding the EP-3 collision that occurred in April 2001. First, was the United States spying on China? Secretary of Defense Rumsfeld explained to Chinese leaders that the U.S. Navy was conducting reconnaissance, which means to inspect or explore an area. The U.S. EP-3 was flying an overt reconnaissance and surveillance mission in international airspace in an aircraft clearly marked "United States Navy." It was on a well-known flight path that had been used for decades. Many countries perform such flights, including China. According to Beijing's logic, however, had there been no surveillance by U.S. aircraft, then no collision would have occurred. Thus, China judged itself blameless for the collision over the South China Sea, and considered U.S. conduct antagonistic because, according to the Chinese, there was no reason for the United States to collect intelligence on "peaceful China."

A second issue of conflict was whether PRC airspace had been violated. It is well understood in international agreements that an aircraft in distress broadcast its situation on accepted international channels. The U.S. EP-3 followed these guidelines, but it received no response from the military command at Lingshui. The only other option was to crash into the sea, and so the EP-3 conducted an emergency landing on Hainan Island. Upon landing, the aircraft and crew were met by members of the People's

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<sup>37</sup> "Chronology of the Sino-US spy plane row", (Agence France Presse, April 13, 2001).

Liberation Army/Navy (PLA-N) who were obviously expecting their arrival.

Finally, there was the question of who was at fault for the collision. According to interviews with the EP-3 crew, the F-8 pilot made two aggressive passes at the EP-3. On one pass, the pilot, Commander Wang Wei came within an estimated three to five feet of the aircraft. On the third pass, he approached too fast and closed on the EP-3, flying into the propeller of the outer left engine, causing a violent turn to the left and a sharp drop in the wing after Wang's vertical stabilizer poked a hole in the EP-3's aileron. This occurred approximately 70 nautical miles from Hainan. The F-8 broke into two pieces, and plunged into the South China Sea. Meanwhile, the nose cone of the EP-3 broke away and the left inboard engine and a propeller on the right side of the aircraft were damaged. According to the EP-3 crew, this was not the first time that U.S. reconnaissance and surveillance flights flying in that area witnessed similar types of aggressive contact from Chinese interceptors.

Beijing had been sending explicit warnings to the United States that they did not approve of U.S. surveillance flights in the South China Sea. According to U.S. Embassy officials, these warnings had been communicated for several months before the incident occurred.<sup>38</sup> It can be speculated that Beijing could have been telling the United States that if these flights continued, something bad was going to happen. In December 2000, the United States had filed a complaint regarding the

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<sup>38</sup> Interview with Naval Attachés at the American Embassy in Beijing, Oct. 2001.

dangerous approaches conducted by Chinese fighters at U.S. aircraft, but no response was ever received from China. With this background in mind, it is unknown whether the F-8 pilot Wang Wei was given an order from Beijing to fly aggressively at the American plane. High-level officials from both the United States and China agree that the collision was an accident and was likely not an order from the PRC government.

Once the US EP-3 landed on Hainan, PLA officials took over the scene, detaining the aircrrew immediately. At this time, the PLA made an uncoordinated pronouncement of anger about the incident, which later put the government in a position to defend the PLA's initial behavior.<sup>39</sup> Even if PRC officials had wanted to handle the incident differently, they were already a step behind the military's reaction. Jiang Zemin had to carefully balance his response with what the military had already announced.

When the incident initially occurred, PLA officials reported the accident to officials in Beijing. It is likely that the highest-ranking officer at Lingshui airfield contacted the General Staff Department directly, who then contacted the CMC staff members, who in turn called senior government officials in Beijing. Therefore, the report passed through many layers of the PLA before reaching civilian authorities. Presumably, the story given to PRC officials by the PLA was not entirely accurate, since it was reported so quickly after having just happened, without any investigation into the details of the collision. The PLA likely posed a story making the U.S.

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<sup>39</sup> Opinions derived from interviews with Naval Attachés at the American Embassy in Beijing, Oct. 2001.

crew look as if they caused the incident and illegally landed on Chinese territory after having spied on China, an account probably derived from an eye-witness account of the flight leader who survived and landed at Lingshui in advance of the crippled EP-3. At this point, PRC officials actually became boxed in, since the PLA had already cast blame and established an uncoordinated response. Once official negotiations began in Hainan, the MFA had to negotiate with the PLA just as much as it was negotiating with U.S. officials. MFA officials probably had limited influence, but since they were the only point of contact for U.S. officials, they had to make do.

It is not known what exactly the PLA reported to PRC officials, although it was evident that the PLA was running the show on Hainan Island. There were PLA representatives at negotiation meetings with U.S. Navy officials, although they did not speak at all during the meetings. Their presence alone demonstrated the reality of their involvement and, certainly, their eagerness to control the situation on their own.

When the final decision was made to release the crew, it is speculated that Jiang Zemin spoke to top PLA officials because the military was extremely upset about the incident and demanded maximum benefit from the US mishap. Additionally, Jiang probably agreed to meet the PLA's minimum demands in exchange for low-level PLA involvement. Overall, the EP-3 incident suggests that the civilian leadership in Beijing was dependent on the PLA for intelligence, and that the PLA misled PRC officials regarding who was at fault for the accident.

There were many players involved in the negotiations to resolve the mishap. The challenge now is to peel back the onion to see who in the PRC government talked to whom, and who made final decisions. There were essentially three groups and locations where negotiations were taking place. First, in Washington, DC, there were talks between the Chinese Ambassador Yang Jiechi and high-level players such as Secretary of State Colin Powell and National Security Advisor, Condoleezza Rice. Yang met with U.S. Department of State officials the day of the accident, and although he did not make any direct decisions regarding the release of the crew, he did give significant input to Beijing that probably accelerated their release based on advice he was receiving in the United States and passing back to officials in China.

Second, there were representatives from the Ministry of Foreign Affairs (MFA) in Hainan that met with the U.S. Defense Attaché at the American Embassy in Beijing, Army Brigadier General Sealock, and other U.S. military representatives stationed in China, including U.S. consular Officer Ted Gong. The PRC Foreign Ministry spokesman was Zhu Bangzao who spoke on behalf of the Foreign Ministry and declared that the United States should bear full responsibility for the incident, but Zhu himself had no actual decision-making authority. Usually during times of crisis, the Foreign Ministry is pushed out in front to deal with the other party while the real decisions are being made behind the scenes at a higher level. Overall, MFA negotiators are held on a tight leash. The U.S. officials In Hainan were conducting negotiations for release of the crew and addressing the conditions of the crew, ensuring

they were being fed and treated properly, as well as negotiating such things as the amount of email they were allowed to receive or send.

Finally and most importantly, there was a group in Beijing which included Ambassador Prueher from the U.S. side and Vice Foreign Minister Zhou Wenzhong from the Chinese side. Behind the scenes were other higher level leaders such as Jiang Zemin, Qian Qichen, and Hu Jintao. Nevertheless, the PRC leadership did not meet directly or even speak directly with the U.S. ambassador. Each decision was reportedly made in Beijing at the highest level, and then passed on to the MFA in Hainan or to the State Department via Zhou Wenzhong. Additionally, General Xiong Guangkai (the close friend of Jiang mentioned above) was the most senior officer on an interagency task force set up to deal with the spy plane incident. It is unknown how much influence Xiong had in the decision-making process.

Although it appeared that Jiang Zemin was making the final decisions on what China would do with the EP-3 crew members, Jiang did not have a clear mandate to decide on his own what to do in times of crisis. Jiang had already issued statements regarding China's reactions and expectations of the U.S. government. It would have been awkward for him to back-pedal, especially since he is not considered a particularly strong leader by the people and is the first PRC top leader who did not come up from military ranks. Jiang may have feared that if his response was too weak, there would be public opprobrium and an unfavorable reaction by the PLA, and if his response

were too strong, there could be potential unrest internationally. The PLA and other hard-liners were pressuring Jiang into taking a tough stance against the United States.

It is speculated by State Department sources that a crisis management team was set up which consisted of Jiang Zemin, Qian Qichen, Fu Quanyou, and Hu Jintao. It is possible, but unconfirmed, that other members of the team could have included Chi Haotian, Xiong Guangkai, and Tang Jiaxuan. The Chinese are good at controlling their communications pathways. It is difficult to know who speaks to whom at the top. This is probably because it is never the same people and the process changes depending on the situation. This is likely another reason why it takes so long for the Chinese to make a clear-cut decision. In China, it is inherently dangerous to make a decision where the tables may turn and one may regret having a direct association with a decision that is later deemed wrong.

Zhu Rongji is China's premier, but as head of the FALSG Jiang handled the crisis with diplomatic advisor and Vice Premier, Qian Qichen. The Central Leading Group for Security Work, which was mentioned above, met during the initial days of the crisis to determine how to handle the situation (Zhang Wannian was absent during the crisis and was replaced by chief of the GSD, Fu Quanyou, and by Guo Boxiong. Guo is expected to be a future senior military leader in the PLA). Jiang and Qian Qichen then left for a trip to Latin America on 4 April. It can be speculated that Jiang gave marching orders before he left, and leaving

the country demonstrated his confidence that the situation would unfold smoothly.

On April 4, Jiang laid out four conditions for resolution to the crisis. The military and civilian leadership was united behind the four conditions: the United States must 1) apologize for the collision; 2) give an explanation of the incident; 3) provide compensation for China's losses; and 4) halt all future reconnaissance flights.<sup>40</sup> Obviously, Jiang relaxed his demands since none of these conditions were met before the release of the crew.

Qian and Secretary of State Colin Powell exchanged letters during the initial days of the crisis, and Qian made a public statement which said that China did not want to damage Sino-U.S. relations. Once Jiang was ready to leave the country, he asked Vice President Hu Jintao to take charge of negotiations with the Bush Administration. It is believed by some analysts that the basic plan was hammered out before Jiang left the country.<sup>41</sup> According to high-level sources in Beijing, the Chinese leadership's tough line was decided at a combined meeting of the CMC and the PBSC just before Jiang departed for a 12-day sojourn to Latin America on April 4.<sup>42</sup> There is also sufficient evidence to believe that the final decisions were made on a day-to-day basis via long distance phone calls to and from Jiang.

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<sup>40</sup> James Mulvenon, "Civil-Military Relations and the EP-3 Crisis: A Content Analysis" in *China Leadership Monitor*, (No. 1, Dec, 2001).

<sup>41</sup> "Power Play in Hainan" in *Far Eastern Economic Review*, (Hong Kong: Dow Jones & Company Inc., April 19, 2001).

<sup>42</sup> *Ibid.*

There were two major decisions to be made by Chinese officials: 1) if and when to release the crew; and 2) if and when to return the plane to the United States. The main decision of when to release the crew was not made by the MFA, but rather was made in Beijing and relayed to the MFA in Hainan. Negotiations took eleven days, which seemed too long to Americans, but which is actually quite speedy for the Chinese. In the case of the EP-3 incident, it would not have been prudent for PRC leaders to nit-pick the details for any longer than was absolutely necessary.

Finally, on April 11, 2001, a letter was sent to Chinese Minister of Foreign Affairs Tang from Ambassador Joseph Prueher stating: "Both President Bush and Secretary of State Powell have expressed their sincere regret over your missing pilot and aircraft. Please convey to the Chinese people and to the family of pilot Wang Wei that we are very sorry for their loss."<sup>43</sup> It is believed that the final draft of the letter was approved in advance by both Jiang Zemin and Hu Jintao, although there is no hard evidence to support this.<sup>44</sup> There was no PBSC meeting to discuss the apology letter. The final letter that was accepted was the fourth draft, including painstakingly constructed diplomatic language which continually caused translation problems. The letter reads as follows:

Dear Mr. Minister:

On behalf of the United States government, I now outline steps to resolve this issue.

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<sup>43</sup> "Letter from Ambassador Prueher to Chinese Minister" (Whitehouse Homepage, April 11, 2001).

<sup>44</sup> Interview with Naval Attachés at the American Embassy in Beijing, Oct. 2001.

Both President Bush and Secretary of State Powell have expressed their sincere regret over your missing pilot and aircraft. Please convey to the Chinese people and to the family of pilot Wang Wei that we are very sorry for their loss.

Although the full picture of what transpired is still unclear, according to our information, our severely crippled aircraft made an emergency landing after following international emergency procedures. We are very sorry the entering of China's airspace and the landing did not have verbal clearance, but very pleased the crew landed safely. We appreciate China's efforts to see to the well-being of our crew.

In view of the tragic incident and based on my discussions with your representative, we have agreed to the following actions:

Both sides agree to hold a meeting to discuss the incident. My government understands and expects that our aircrew will be permitted to depart China as soon as possible.

The meeting would start April 18, 2001.

The meeting agenda would include discussion of the causes of the incident, possible recommendations whereby such collisions could be avoided in the future, development of a plan for prompt return of the EP-3 aircraft, and other related issues. We acknowledge your government's intention to raise U.S. reconnaissance missions near China in the meeting.

Sincerely,

Joseph W. Prueher

The incident came to end once the letter from the United States was agreed upon. The decision on the wording of the letter from President Bush was negotiated between Ambassador Prueher and the Vice Foreign Minister of the MFA Zhou Wenzhong, although MFA officials had to call Jiang or possibly Qian Qichen before making any agreements. Some may argue that the game plan could not have been laid out before Jiang left for South America on April 4 because a decision to release the crew could not be made until the Chinese conducted a rescue mission for their own pilot or declared that he was dead.

There was fear on the part of China's top leaders that formal protests might be filed with the UN if the situation escalated. There was also pressure from business leaders in China urging the PRC to end the dispute. It has been said that somewhere in Beijing, a top government official shot up in bed after hearing, "Attention Kmart shoppers, do not buy Chinese made sneakers, T-shirts, slacks, blouses, sweaters or anything else. Check the label and remember the Americans being held on Hainan Island. Have a nice day."<sup>45</sup> China had much at stake in the standoff with the United States, especially real investment and trade dollars coming in to the country. Continuing economic growth and the requisite internal stability are Jiang's highest priority and have been since he has been in office. The EP-3 incident was very sensitive for China, but it was also seen as an opportunity for China to make the U.S. Bush Administration have a greater appreciation for the region.

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<sup>45</sup> "A War of Words" in *The Washington Post*, (Washington, DC: April 12, 2001).

After the decision was made to return the crew to the United States, a meeting between American and Chinese leaders was set up for April 18 2001. The agenda was prepared by both sides, and both sides took into consideration who their representatives would be. The first item on the agenda was to discuss how the collision occurred. The U.S. and Chinese versions of events are still not very close, but both sides agreed to disagree. The second item for the agenda was the discussion of the prompt return of the EP-3 aircraft. A proposal was given to Chinese MFA representatives, who said they would need to discuss the proposal with their higher headquarters.

The April 18 meeting was not a productive meeting with any positive results, but it was symbolically significant in that it was a beginning to diplomatic talks. Both sides were able to openly express their views on the incident. Additionally, it was an important step in the process, so that further steps could take place following the meeting.

The second decision--to return the aircraft--was a very long and hostile process. Discussions on when and how to return the damaged EP-3 to the United States began on 1 May when American Embassy representatives and Lockheed Martin officials went to Hainan to inspect the aircraft. This visit was ultimately a success after the PLA Navy reluctantly allowed the U.S. officials to properly inspect the aircraft. The negotiations for the return of the plane included meetings with the MFA and the Ministry of National Defense (MND), as well as representatives from USCINCPAC, USDAO Beijing, and U.S. Embassy Political section. The U.S. side was rebuffed at each request to repair and fly

the aircraft out of China. Ultimately it was agreed that the United States would disassemble the aircraft and fly it out in a large cargo aircraft. Finally, by May 25, the U.S. Embassy wrote a letter with a list of requirements that was presented to the MFA in Beijing. The Chinese eventually agreed to almost all of the requirements.

By looking at the EP-3 incident, a certain decision-making pattern can be determined, or at least speculated. First, top leaders must save face by casting blame on the other party. Second, they must maximize room for maneuver by putting the ball in the opponent's court. Third, they let piecemeal unfold slowly without making concessions. In the EP-3 case, decision-making behavior reflected: 1) leadership succession factors; 2) regime insecurity; or 3) a distrust of the United States. Hence the delay in returning the crew and an even longer delay in returning the aircraft. The prolonged decision making process could have also been a result of regime insecurity. Jiang Zemin had to please the PLA and party hard-liners, keep peace with the citizenry, keep international involvement low-key, and try to do the right thing without damaging the Sino-U.S. relationship or the Chinese economy.

As the EP-3 case shows, in China there is a lack of institutionalized mechanisms for dealing with international crises. There is no crisis management structure per se. Jiang Zemin and his colleagues make decisions, but they have to shape their responses in keeping with the interest of the PLA and other institutions and with public opinion. In crisis situations, political and military leaders at the highest levels engage in very close coordination, but

exactly how this is translated into coordination at the lower levels of China's massive and complex bureaucracy remains unanswerable.

According to U.S. Naval attaches in Beijing, communications are a problem in Beijing when it comes to solving problems in times of crisis. For example, if U.S. Embassy officials want to speak to anyone in the MFA or the PLA, they have to go through the Ministry of National Defense to coordinate a meeting or even a phone call. There is apparently no communication between U.S. DAO officials in Beijing and their Chinese counterparts. All decisions and discussions happen at the top, prohibiting lower-level officials from talking and sorting out details among themselves. At the highest levels in China, layers of approval must be obtained and discretion is rarely permitted. The Chinese rarely change their positions on the spot or come prepared with a clear range of positions which they can set forth without reference or consultation.<sup>46</sup>

In response to demands by President Bush, the Chinese leadership laid out demands that were both immediate (the United States should accept responsibility) and symbolic (the United States should apologize). For China, the principles of the agreement are just as important as the specific issues. Principle is important but flexible as long as China can somehow rationalize that its fundamental interests have not been compromised. Typical Chinese style is to begin negotiations with an impossible outcome,

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<sup>46</sup> Thomas W. Robinson and David Shambaugh, Chinese Foreign Policy; Theory and Practice, (Oxford: Clarendon Press, 1994), 474.

and then to act as if they are doing the other side a favor by backing off. The Chinese negotiating style is eventually to come down to the originally defined outcome as a gesture of goodwill, even though everyone knows it is the practical thing to do. For example, when a Chinese admiral announced to the crew that they were being released, he said to them, "You need to understand that this is not a sign of weakness on our part, but a sign of humanitarianism...".<sup>47</sup>

According to Lucian Pye, the Chinese use principles, patience, impenetrability of bureaucracies, and efforts to impose a sense of guilt to narrow the framework of negotiations. Additionally, the Chinese use gestures of friendship to lure counterparts to concessions they might not otherwise make, while they make their positions known first.<sup>48</sup> On political issues, Chinese negotiators take on many old patterns designed to put opponents on the defensive, making them responsible for damage to the relationship. The Chinese have found that time pressures also affect their negotiating style, such as the upcoming Easter holiday in the United States, and the demand to have the U.S. crew returned by Easter Sunday. As it happened, the crew returned only four days before Easter. To many Americans, eleven days of negotiations to return the crew seemed like an eternity. However, to the Chinese, 11 days was actually expedient for decision-making. They believe that 11 days was long enough to think things through, but not too long to damage Sino-U.S. relations. Nevertheless,

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<sup>47</sup> Shane Osborn, Born to Fly, (New York: Broadway Books, 2001), 239.

<sup>48</sup> Thomas W. Robinson and David Shambaugh, Chinese Foreign Policy; Theory and Practice, (Oxford: Clarendon Press, 1994), 454.

the Chinese have been ready to stall in negotiations when there are conflicts among the leadership on how to deal with the issue. If the Chinese are put in a position where they are anxious to conclude a deal, then they feel at a disadvantage in the situation. Thus, it is better for them to string along the process at their own pace, even if they are under pressures of time.

According to Richard Solomon, the Chinese conduct negotiations in a purposeful and meticulously planned manner, even if are not in control of the process and have to "feel their way" in situations they do not fully understand.<sup>49</sup> Generally, the Chinese enmesh foreign negotiators in a process that they can manage to their own advantage. Politically, it would be devastating for the party leader to put the country in a position of dependence on a foreign power. Thus, by setting high expectations during the EP-3 negotiations, the PRC leadership felt that they had the upper-hand, rather than being controlled or manipulated by the United States.

PRC officials go to great lengths to draw out a foreign counterpart regarding the government's position on issues under negotiation. It is not until very late in the negotiation process, when the adversary's position has been thoroughly tested, that high-level Chinese officials will begin to moderate their initial demands. Ultimately, the Chinese enter into the negotiation process with a clear sense of what they want as an end result, even if it seems unattainable to their counterpart.

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<sup>49</sup> Richard H. Solomon, Chinese Political Negotiating Behavior, 1967-1984, (CA: RAND, 1995), 5.

One reason it is difficult for Americans to understand the way in which Chinese make decisions or negotiate is because the United States often follows a legalistic approach, which the Chinese severely distrust. The Chinese base decisions on the senior political leadership or bureaucratic interests. Their position is justified in terms of principle rather than legal requirements. Additionally, the political and bureaucratic structure in the United States is decentralized and collegial, while the PRC is centralized, hierarchical and disciplined. These characteristics affect the pace of decision-making and continuity.<sup>50</sup>

The EP-3 incident demonstrates how PRC decision-making mechanisms (or a lack thereof), function in real-world circumstances. It is clear that the authority for making decisions about sensitive political issues remains concentrated in the hands of a very few top leaders, rather than in an institutional framework of the kind that the United States employs and is therefore most used to dealing with. Institutions do play a role in decision-making at lower levels, but only with issues that are less sensitive and with those that will have smaller repercussions if a bad decision is made.

To sum up the EP-3 negotiations, Ambassador Prueher said, "Diplomacy in China consists of building ladders so they can climb out of the holes they dig."<sup>51</sup>

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<sup>50</sup> Ibid, 148.

<sup>51</sup> Quote given by CAPT Bradley Kaplan, USN, Office of Liason Administration, Consulate General of the United States of America in Hong Kong, Nov. 2001.

## B. THE ROLE OF THE MEDIA IN CHINA

The question to address in this section is how PRC officials use the media as a component of their approach to negotiations. Additionally, how do media bring pressure on Chinese officials or on the United States? The Chinese have a reputation for manipulating media sources in China, so that the general public will only receive one side of a story and will therefore support the party line. Chinese media are required to serve as the "mouthpiece" of the CCP, which stresses "uniformity in public opinion" and "speaking along the same lines."<sup>52</sup> The propaganda system in China is responsible to the Party Propaganda Department, and is a fundamental system through which the results of major decisions flow.

The Xinhua News Agency gathers information mostly from public sources, whereas the PLA GSD's Third Directorate eavesdrops on both public and secret communications of foreign countries.<sup>53</sup> The Chinese media are of two types: open (for public use), and closed (internal access only). The closed media sources serve as information both to inform leaders and the broader masses. The regular pattern in Chinese media, is to publish important information for the internal press first, then provide the party's line on the issue in public media. Thus, it can be assumed that anything that was published about the EP-3 incident by the Xinhua News Agency was first viewed and approved internally at the State Council level, and

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<sup>52</sup> Carol Lee Hamrin and Suisheng Zhao, ed., Decision-Making in Deng's China: Perspectives from Insiders, (New York: M.E. Sharpe, 1995), 76.

<sup>53</sup> Lu Ning, The Dynamics of Foreign-Policy Decisionmaking in China, (Colorado: Westview Press, 2000), 135.

probably higher levels. Surely, even more was reported internally that was never released to the general public because of sensitivity issues.

The media play two important roles relevant to the foreign policy process in China. The first is to articulate and interpret Chinese policies for audiences at home and abroad. The second is to gather and disseminate to China's elite and masses information on world affairs.<sup>54</sup>

The *People's Daily* plays an important role in articulating official policy within China. The editors of *People's Daily* clearly belong to the top party elite, and therefore they are to a certain extent involved in the formulation, as well as the implementation, of policy. Thus, anything published in the *People's Daily* and released to the public has been approved by party elites.

Regarding individual initiative in the press or in public, individuals cannot bypass the establishment and gain access to central leadership or to central bureaucracies. Public opinion does not have much direct impact on policy-making, although the bombing of the Chinese embassy in Belgrade provoked new tensions in Sino-U.S. relations and unleashed a wave of nationalistic emotion. In this case, public opinion had a clear impact on both the conduct of elite politics and on Chinese foreign policy. Public opinion seems destined to play a more important and more difficult role in Chinese foreign policy in the future.

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<sup>54</sup> A. Doak Barnett, The Making of Foreign Policy In China; Structure and Process, (Colorado: Westview Press, 1985), 115.

Regarding Chinese public opinion during the EP-3 incident, there are some reports that most Chinese wanted the incident to be over quickly so that tourism would continue.<sup>55</sup> However, all Chinese newspapers said the same thing, and the Chinese public would repeat those statements: the US plane had rammed the Chinese F-8. Nevertheless, it is likely that most educated people in China realized that it was an accident and the government was not acting prudently about the situation.

At the same time, there were many Chinese who were angry with American media because they were portraying the Chinese pilot not as a victim but as a "hot-dog" and not taking any responsibility for the accident. In step with the party line, very few people said the American crew should be released. Many said that they believed the American crew could be used as a bargaining chip in negotiations with Washington. The Chinese press printed official statements demanding that the United States cooperate with China in an investigation and assume all blame for the lost Chinese pilot. Additionally, Chinese internet chat rooms filled with anti-U.S. comments, and the official *China Daily* accused the United States of arrogance and irresponsible international behavior. Apparently afraid that such sentiment might spin out of control, Chinese internet censors removed some of the more vitriolic comments from chat rooms and electronic bulletin boards.

The world's news media focused on the incident, and scrutiny would only hurt the Chinese. Beijing was eager to be named host of the 2008 Olympic games and for admission

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<sup>55</sup> According to a Beijing taxi driver I spoke to on 30 Oct 2001.

to the WTO. Thus, whatever the Chinese would do with the 24 crew members, it would be done under the eye of the world media.

PRC media, directed by party officials, manipulated the apology letter from the US Ambassador to Beijing. The American version contained different terms than the Chinese version, and a separate Chinese summary was given to reporters by the Chinese Foreign Ministry. Also, in reporting Secretary Powell's comments, the New China News Agency selectively quoted his remarks saying, "We're sorry that that happened," without adding his next sentence: "But that can't be seen as an apology accepting responsibility."<sup>56</sup>

There were several factors that went in to the decision-making process in China, including Chinese public opinion, world opinion, and American public opinion. In the case of the EP-3, American public opinion most likely was hurrying along the PRC decision, because the Easter holiday was approaching. If those 24 crewmembers were not home by Easter, the Chinese knew that Americans would not be happy. Therefore, world news and international media sources influenced the Communist Party just as their own media influenced the Chinese people. The media in China have a similar effect on the public as does the media in the United States. The difference is the amount of control placed on Chinese media, which shapes the thoughts of the Chinese masses.

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<sup>56</sup> "US, China Reach Standstill in Talks Over Plane Crew" in *The Los Angeles Times*, (Los Angeles, CA: April 11, 2001).

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## V. FUTURE TRENDS

### A. CHINA'S FOURTH GENERATION DECISION-MAKERS

The Sixteenth Party Congress is scheduled for 2002, at which time there will be a turnover in CPC leadership. The position of the president, premier, and other posts determined by the National People's Congress will change hands in 2003. Members of the "fourth generation" of Chinese leaders currently occupy several seats on the Central Committee, the Politburo, and the State Council.

Currently, Jiang Zemin is head of the Chinese Communist Party's Leading Small Group on Foreign Affairs. Jiang and Vice Premier Qian Qichen apparently have authority regarding foreign policy decision-making. There will be a change in leadership when Jiang relinquishes his positions as Communist Party General Secretary in 2002 and as president of the PRC in 2003. Additionally, Qian, who is now 72 years old, is expected to leave the Politburo in 2002. Hu Jintao, 58, is expected to take over as president of China and general secretary of the Communist Party. Hu is currently not a member of the Leading Small Group on Foreign Affairs, and he lacks diplomatic experience. Perhaps this accounts for Jiang Zemin's decision to leave the EP-3 incident in the hands of Hu Jintao when he left for Latin America, thereby allowing him to gain experience in the initial stages of a diplomatic crisis, or at least to make it appear that way to the Chinese public.

Jiang Zemin would probably like to remain as CMC chairman even though he is expected to retire in 2002. Other top leaders scheduled to retire are Li Peng, Zhu

Rongji, Li Lanqing, Wei Jianxing, Zhang Wannian, and Chi Haotian. If Jiang remains in a high echelon leadership position, Li Peng will also want to remain in his position as chairman of the National People's Congress. Li is possibly interested in Presidency of the PRC, but this is an unlikely step in the succession. Zhu Rongji may also stay on for an extra term, which would be legitimate since he is a one-term premier and could be reelected. This remains a possibility since he is extremely popular within the Party.

Additionally, of the 17 remaining full and alternate members of the Politburo, six will be forced to retire in 2002 because of the age restriction. On the Central Committee, 75 members will reach age seventy by 2002. Anywhere between 75 and 120 of the 188 members could retire in 2002. Also, nine heads of ministries or commissions are slated to retire during the next round of elections. From all of these indications, it is evident that there will be a large turnover in the government in the near future. "Fourth generation" technocrats are the up-and-coming leaders, whether China is ready or not.

In 1982 at the 12<sup>th</sup> Party Congress, technocrats began to emerge among the party elite when they were recruited onto the Central Committee of the CCP. They included Li Peng, Hu Qili, Jiang Zemin, Hu Jintao, and Wang Zhaoguo. Those "third generation" leaders are now going to be replaced by the aspiring "fourth generation." Possible Standing Committee promotions for next year could include Wen Jiabao as Premier, Li Ruihuan as NPC chairman, Luo Gan

as CDIC chairman, Wu Bangguo as economic czar, and Zeng Qinghong as party apparatchik.<sup>57</sup>

Hu Jintao, China's next president, began his political career as a *mishu* in to the chair of the Gansu Construction Committee in 1974-1975. As many *mishus* do, Hu began to make significant political connections and was soon appointed as secretary of the national Chinese Communist Youth League before moving on to be president of the Communist Party School. Hu is known to be associated with Zhang Hong, Deng Xiaoping's son-in-law, which may have helped him obtain a seat on the Politburo Standing Committee.<sup>58</sup> Hu Jintao is in favor of military reform and plans to carry out a three phase reform of the PLA, PLAN, and PLAAF over the next nine years.<sup>59</sup> Additionally, Hu is in favor of educational reform and encourages young scientists and technicians to integrate their own ideals with the future of the nation. The future president of China is known as a moderate who leans toward being a liberal reformer. Many China analysts suggest that Hu will lead China into an era of political reform.

Wen Jiabao, who may become China's next premier in place of Zhu Rongji, is currently a member of the Politburo and is the youngest vice premier on the State Council. Wen Jiabao's recent work for the party has focused on domestic issues. He oversaw the restructuring of China's banks and the stabilization of the stock markets. Wen has also made

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<sup>57</sup> H. Lyman Miller, "The Road to the Sixteenth Party Congress" in *China Leadership Monitor*, (No. 1, Dec 2001), 7.

<sup>58</sup> Cheng Li, China's Leaders; The New Generation, (New York: Rowman and Littlefield Publishers, Inc., 2001), 126n88.

<sup>59</sup> Luo Hui, "PRC's Hu Jintao, Japan's Nonaka Discuss Bilateral Relations" from *Beijing Xinhua Domestic Service* in Chinese as

several public speeches advocating the improvement of China's economic structure, advancing science and technology, and opening China to the outside world.<sup>60</sup> Like Hu Jintao, Wen has been labeled as a liberal reformer.

Li Ruihuan is expected to take over for Li Peng as NPC chairman. Although they each have the same surname, there is no familial relation. Li Ruihuan is currently a member of the PBSC and is chairman of the CPPCC, and like most "fourth generation" leaders, did not serve in the military. In 1989, Li was assigned the responsibility for party ideology by Deng Xiaoping.<sup>61</sup> Li is well traveled and has taken the initiative to broaden the role of the CPPCC chairman, placing a much greater emphasis on foreign affairs and international diplomacy. He has published two books: *Ideas on Urban Development* and *Ideas on Doing Practical Things for People*. Li Ruihuan has served the party well, and will continue to contribute good ideas to the country and the party as he carries the belief that the government must do something "concrete for the people."

Luo Gan is a member of the Politburo, member secretariat of the Central Committee, and a State Councilor. He has been associated with Li Peng, who is considered quite conservative by "fourth generation" technocrats. It is likely that Luo will take over as China's Discipline Inspection Committee chairman (CDIC). Although he is neither a moderate or liberal reformer like

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translated in FBIS (Aug 5, 2001).

<sup>60</sup> "Wen Jiabao's Speech at Opening Ceremony of 'China Development Forum 2001'" in *Beijing Renmin Ribao* (internet version) in Chinese as translated in FBIS, (March 27, 2001).

<sup>61</sup> Taken by bibliography of Li Ruihuan done by LT Alex Greig, USN, Sept 11, 2001.

other up and coming leaders, it may serve the party well to have a more conservative man as chairman of the discipline committee.

Wu Bangguo, currently a vice premier of the State Council and member of the Politburo, is expected to become China's next economic czar. Wu Bangguo worked as a close aid to Jiang Zemin and Zhu Rongji from 1985-1991, and so he is aware of Jiang's vision for China's economy. Wu advocates the reform of China's state owned enterprises (SOEs), which still absorb approximately 75% of China's capital. Wu also has been working on a social security system for China, and he could be a great asset to China in the coming years, especially given the huge economic impact the 2008 Olympics will have on the PRC.

Finally, Zeng Qinghong is presumed to be among "fourth generation" leaders who will be promoted. He is now only an alternate member of the Politburo, but may soon be on the PBSC. Zeng is a technocrat who follows the party line very closely. He is an advocate of gender equality throughout China and has encouraged the recruitment of female party members. Zeng has also attempted to increase the legitimacy of communism by promoting highly educated party members. Zeng seeks to change the party image by encouraging young, well-educated men and women to join the ranks of government.

The only woman from the fourth generation leadership who heads a ministry under the State Council is Chen Zhili. She is the minister of the PRC Ministry of Education and is a close friend of Jiang Zemin. She is also a full member of the Central Committee. Chen is expected to be one of

the leading candidates for the Politburo in the next Party Congress. In the history of the CCP, only six women have ever entered the Politburo, among them the wives of Mao, Lin Biao, and Zhou Enlai. Discrimination against women seems to continue into the twenty-first century in China, but this trend may improve with new leaders such as Zeng Qinghong and Chen Zhili.

China's future decision makers are expected to adopt increasingly pragmatic approaches to socioeconomic problems and their political implications than past PRC leaders. In fact, problems such as rural poverty, income disparity, environmental degradation, social grievances, and high unemployment rates are frequently and fervently discussed by public intellectuals and the general public. Domestically, technocratic leaders tend to see scientific and technological developments as determinant of socioeconomic changes in a given society. In the future, many young economists may become more actively involved in the policy-making process. The new leaders will probably accelerate China's political reform and modify the pace and emphasis of economic reforms. Leaders at all levels of the system may become more like technical managers and less like strategic visionaries in the future.

Because of the disillusionment they experienced during their formative years, "fourth generation" leaders are, in general, ideologically less dogmatic, intellectually more sophisticated, and practically more open-minded than their predecessors. They are also more accessible and more open about their views and policies than their predecessors

were.<sup>62</sup> They will also be more comfortable in dealing with the media, both domestic and foreign. The number of "fourth generation" of leaders in the military is remarkably low. This seems to be consistent with Jiang's political tactic of preventing the formation of any potentially powerful military faction.

On the other hand, many contend that this new generation of Chinese leaders lacks a fundamental consensus on major socioeconomic policies and overall political solidarity. Many of these new leaders have spent varying lengths of time in the party and come from differing backgrounds. This generation is known for its obsession with political networking, but also for its capability to deal with challenges that the country faces and being accountable to the Chinese people for their decisions. In order for the new generation of leaders to establish legitimacy, they must transfer their own personal preferences into collective decisions. This is a trend that we can expect to see in China in the coming years.

As far as a turnover in military leadership, Zhang and Chi are set to retire at the Sixteenth Party Congress in 2002. Leading candidates to replace them include General Fu Quanyou, currently PLA chief of the General Staff Department, and General Cao Gungchuan, head of the PLA General Equipment Department. General Cao is regarded as a rising star in the military hierarchy. He has recently been put in charge of managing the PLA's weapons and equipment apparatus, including research, development, and procurement, which had previously been the responsibility

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<sup>62</sup> Cheng Li, China's Leaders; The New Generation, (New York: Rowman and Littlefield Publishers, 2001), 206.

of Zhang Wannian. Additionally, Lieutenant Generals Guo Boxiong and Xu Caihou were appointed to the CMC in 1999 in preparation for their elevation to the CMC's top posts.

The fourth generation leadership will be full of technocrats and lawyers. While engineers and economists tend to rely more on their own expertise in policy-making, lawyers may be more concerned about the procedures of decision-making and the socio-political consequences of policies. This generation of leaders is likely to be even more cynical about communist ideology than their predecessors.

One thing is for certain. China is changing, and this is the decade in which Americans may watch the PRC undergo major political, legal, educational, and military reform. Whether or not the communist system will prevail is unknown, but the desire to improve society and the existing situation in China is apparent among the new "fourth generation" leaders. The need for more institutionalized and rational leadership selection procedures and better mechanisms of supervision and responsibility are being recognized now, which has not been the case in the past. All China watchers will have a great deal to look forward to in the coming years.

## VI. CONCLUSION

### A. ANALYSIS OF THE DECISION-MAKING PROCESS IN CHINA

Officially, the PBSC makes decisions on the basis of consensus, but it is really up to the paramount leader to make the final call, especially in times of crisis. Decisions are seldom put to an actual vote, although each member's opinion is made known by way of statements made during the meetings. However, when the most authoritative person makes his opinion known, the rest of the members tend to concur. Junior members generally refrain from voicing a different opinion once the most authoritative person has stated his opinion.

The bottom line in PRC decision-making is that no faction, no institution, no region, and no individual can really dominate. As to the actual process of decision-making, the paramount leader has become less paramount and has been forced to consult more broadly. There is more equality among members of the decision-making bodies. The policy-making process has therefore become less personal and more compatible with foreign political systems, although crisis matters are still highly personalized.<sup>63</sup> Nevertheless, as China has moved toward more active participation in the international community and has adopted increasingly pragmatic approaches to foreign affairs, the overall trend has been toward the creation of a better-organized and more effective foreign relations apparatus.

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<sup>63</sup> David M. Lampton, ed., The Making of Chinese Foreign and Security Policy; in the Era of Reform, (CA: Stanford University Press, 2001), 28.

There is no real crisis management mechanism in China. China needs to establish a national security council in order to be able to accomplish quick, rational responses. The "leading group" style approach for leadership is not working for China. Currently the PRC has established a state security leading group, which is taking over the role of the FALSG.<sup>64</sup> Foreign cooperative relationships are essential to both China's international security and domestic development and could be a means to strengthen the country.

According to Beijing, China's virtue in international affairs consists in the fact that its foreign policy is based not on expediency but on immutable principles that express universal values such as justice and equity. Nevertheless, we can expect that Chinese foreign policy behavior will continue to be sufficiently ambiguous, complex, shifting, and multiprincipled and should offer aspiring theorists a sure challenge.<sup>65</sup>

China needs to establish a crisis management mechanism, which coincidentally would be more advantageous in a multilateral format than in a bilateral form. A multilateral format will prevent one side from cutting off communications, which would keep the lines of communication open during a crisis and increase support for China's foreign policy initiatives.

China's future leaders are most likely to choose policies that increasingly conform to widely accepted

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<sup>64</sup> Information derived from a conversation with Dr. Gaye Christoffersen regarding China's reactions to the EP-3 incident, (Naval Postgraduate School, CA, Dec, 2001).

<sup>65</sup> Thomas W. Robinson and David Shambaugh, Chinese Foreign Policy: Theory and Practice, (Oxford: Clarendon Press, 1994), 433.

international norms and practices.<sup>66</sup> There has been a major trend in China which involves the gradual decentralization of power, particularly in implementing policies.

There is no single Western theoretical framework that can capture the entirety of foreign policy decision-making in China. The "fourth generation" of leaders will likely continue a cooperative foreign policy. Because of their varying backgrounds, they are likely to be more flexible and more capable of finding middle ground between technonationalism and techno-globalism. Techno-globalism emphasizes technology as an international endeavor and a product of multinational institutions, whereas technonationalism focuses on technology endeavors at the national level.<sup>67</sup> Beijing has declared that domestic economic growth is its overriding objective.

In the case of the EP-3 incident, China managed to extract maximum pay-off from the United States with minimum support. In the end, through its fence-straddling strategy, China managed to make Washington into an anxious supplicant awaiting Beijing's final decision. This time it worked for China, only because the eleven-day stand-off did not over extend the patience of the White House. However, in the future, we can expect decisions to be made more speedily and more decisively. Additionally, we can expect more open communications between top heads of state and more consensus between civilian and military leadership, with the PLA taking on a smaller role. China does not need

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<sup>66</sup> David M. Lampton, ed., The Making of Chinese Foreign and Security Policy; in the Era of Reform, (CA: Stanford University Press, 2001), 13.

<sup>67</sup> Cheng Li, China's Leaders; The New Generation, (New York: Rowman and Littlefield Publishers, 2001), 229.

to be threatened by the U.S. military in order to act accordingly. It simply requires the appropriate amount of patience and understanding in order to get organized and make decisive decisions.

## APPENDIX A

### LIST OF PRC LEADERS

#### Principal Government and Party Officials:

President - Jiang Zemin\*  
Vice President - Hu Jintao  
Premier, State Council - Zhu Rongji\*

#### Vice Premiers:

Li Lanqing\*  
Qian Qichen\*  
Wu Bangguo  
Wen Jiabao

#### Politburo Standing Committee:

Jiang Zemin\*  
Li Peng\*  
Zhu Rongji\*  
Li Ruihuan  
Hu Jintao  
Wei Jianxing\*  
Li Lanqing\*

#### Full Politburo Members:

Chi Haotian\*  
Ding Guangen  
Huang Ju  
Jia Zinglin  
Jiang Chunyun  
Li Changchun  
Li Tieying  
Luo Gan  
Qian Qichen\*  
Tian Jiyun  
Wen Jiabao  
Wu Bangguo  
Wu Guangzheng  
Zhang Wannian\*

#### Alternate Politburo Members:

Wu Yi  
Zeng Qinghong

\* Indicates those personnel expected to retire in 2002.

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